

American Job Creation Act of 2004

HR 4520, Sec. 320, now Public Law 108-357 was enacted on October 22, 2004, but is retroactive to January 1, 2004, and removes the tax liability from the State Loan Repayment Program.

“The provision excludes from gross income and employment taxes education loan repayments provided under the NHSC Loan Repayment Program and State programs eligible for funds under the Public Health service Act. The provision also provides that such repayments are not taken into account as wages in determining benefits under the Social Security Act. The provision is effective with respect to amounts received in taxable years beginning after December 31, 2003.”